

Amendment No. 1 to HB1386

Eldridge
Signature of Sponsor

AMEND Senate Bill No. 1763

House Bill No. 1386*

By deleting the language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 50-7-403(b)(1)(B), is amended by adding the following language as a new, appropriately designated subdivision:

(iii) Except as provided in subdivision (b)(1)(B)(ii), the department, in determining the experience rating for new employers in operation at least three (3) years immediately preceding the date of becoming a liable employer in Tennessee, shall allow, upon election of the employer, for an interstate transfer of the employers experience rating.

(a) The employer shall provide the department with an authenticated account history from information accumulated from operations from the state where the employer relocated in order to compute a current Tennessee new employer premium rate.

(b) Subdivision (b)(1)(B)(iii) shall apply to all employers relocating into Tennessee on or after the effective date.

(c) In the event that the unemployment trust fund balance is lower than or equal to seven hundred million dollars (\$700,000,000), then the commissioner, in the commissioner's sole discretion, may suspend the use of this subdivision (b)(1)(B)(iii) to determine the new employer experience rating for employers relocating to this state. The rate shall revert to the industry rate designated at the time of the suspension of this act.

Consumer and Human Resources Committee 1

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(d) Notwithstanding any other provision of law to the contrary, this act shall not apply to the extent that compliance with such provisions would violate federal law or cause the department a loss of federal funding.

SECTION 2. The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act shall take effect July 1, 2014, the public welfare requiring it.